

for \$40,500 for source assessment of hotspots in the Escalante River watershed and Gunlock Reservoir. The mercury is not in the water; it is in the sediment and taken up in the food chain. The problems with mercury in the Great Salt Lake were discussed.

Denise Chancellor, Assistant Attorney General, reported to the committee on the status of the effort to prevent the storage of high-level nuclear waste in the state. At present there are carry-over funds in the amount of \$457,000 in the restricted account designated for use in this effort. The matter is not finally settled.

MOTION: Rep. Hendrickson moved to adjourn. The motion passed unanimously with Rep. Donnelson and Rep. Hansen absent for the vote.

Rep. Harper adjourned the meeting at 4:23 p.m.

Rep. Wayne Harper, Co-Chair

Sen. Carlene Walker, Co-Chair

funding \$62,000 from the General Fund for mercury source assessment. The Analyst recommends the committee consider \$100,000 one-time from the General Fund for equipment to measure mercury in the air and provide real-time analysis to provide data necessary to identify sources of mercury and \$19,000 ongoing for mercury dry deposition monitoring.

The anticipated total of Federal Funds grants is \$17,449,800.

These anticipated changes in DEQ fees were discussed: an increase to \$48.75 per ton for air emissions fees resulting in revenue of \$180,180, an increase in technical review appeals by 100 hours for an increase of \$7,000, a replacement of Lost Certificate Tag fee of \$25.00 in the Response and Remediation Division with a revenue of \$1,250, and a new fee in the Solid and Hazardous Waste Division of \$500 for an Enforceable Written Assurance Letter and a \$70 per hour charge if over the original 8 hours resulting in revenue of \$4,250. The total new revenue from fees is \$192,600.

Rick Sprott, Director of the Department of Environmental Quality, distributed materials to the committee including the Report to Governor Huntsman from the Blue Ribbon Advisory Council on Climate Change and the Final Report of the Utah Renewable Energy Initiative Focus Group, dated October 15, 2007.

Cheryl Heying, Director of the Division of Air Quality, referencing several handouts discussed air quality standards set by the EPA and the fact that Utah is not in compliance with the new standard for particulate matter and will not be in compliance with the anticipated change to the 8-hour ozone standard. Non-compliance affects health and could cause loss of highway funds from the Federal Government. The request of the Division is \$2,500,000 on going General Fund money to develop and implement air quality plans to reduce pollution, to enhance air-quality monitoring statewide, to study toxic air pollution including mercury, and to enhance public outreach. She discussed the goals and present and future workload of the Division.

The director discussed the two kinds of mercury monitoring; wet and dry deposition. Wet deposition monitoring is limited and at present inconclusive. Dry deposition monitoring is from the air and is more difficult and expensive. The Division is requesting \$100,000 one-time General Funds to purchase a dry deposition monitor which can be moved from place to place. They are also requesting \$19,000 to maintain and operate the monitor. Maps provided show major mercury emissions sources in the West and sites of mercury advisories in the state. Expenditures so far this year were accounted for.

Walt Baker, Director of the Division of Water Quality, discussed the relatively new program of mercury monitoring in water which was begun when high levels of mercury were found in fish samples. Utah has never had an on-going mercury monitoring program hence the request for \$21,500 for ongoing fish tissue analysis of about 400 samples per year and an additional request

money. Also the FTE history shows a slight decrease over time. The Analyst's General Fund increase recommendations for the 2008 General Session are as follows:

Agency	Division	Description	Ongoing	One time
DOT	Const.	Congestion Relief, Choke Points, Bridges, ROW		260,000,000
DEQ	Air	Mercury Dry Deposition Monitoring		100,000
DEQ	Air	Mercury Source Assessment	81,000	
DEQ	Air	PM 2.5 Funding	2,210,000	
NG	Admin	National Guard IT Services	54,000	
NG	Admin	National Guard Tuition Assistance		500,000
VA	Admin	Funding Fiscal Note for HB 426 Gen. Sess.	200,000	

The Analyst concluded with the following budget summary. FY2007 actual - \$1,698,165,700, FY 2008 appropriated - \$1,688,463,600, FY2008 revised - \$1,845,441,800, and FY2009 base budget - \$1,263,949,300, with budgeted FTE - 2,291.5 and vehicles - 3980.0 (including all DOT vehicles).

Department of Environmental Quality

The Analyst reviewed the DEQ budget brief, briefly discussing the functions of the department. The base operating budget for DEQ line item for FY 2009 is \$82,677,100 which includes funding for seven programs including: \$5,651,400 for the Executive Director's Office, \$8,706,400 for Air Quality, \$7,452,000 for Environmental Response and Remediation, \$3,481,200 for Radiation Control, \$11,377,400 for Water Quality, \$4,369,700 for Drinking Water, and \$7,914,000 for Solid and hazardous Waste. Also the base budget amounts of \$20,207,500 for the Water Quality Loan Program and \$13,517,500 for the Drinking Water Loan Program are included in the base budget bill. Intent language providing that funds in the permits programs be nonlapsing and funds appropriated for the purpose of addressing high level nuclear waste be nonlapsing was discussed. The Analyst discussed sources of funding pointing out that the amount from the General Fund equals the total FY2008 budget and that the total of federal funds is decreased by \$1,808,800.

The Analyst is recommending \$2,210,000 from the General Fund for air quality planning for FY2009. The EPA has made it known that Davis, Salt Lake, Cache Weber, and part of Utah Counties on the Wasatch Front are not in compliance with air quality standards. This recommended appropriation would replace the one-time General Fund appropriation of FY08 of \$1,000,000 and the General Fund Restricted - Environmental Quality Account appropriation of FY08 of \$500,00 and the reduction of \$1,200,000 of Federal Funds during the past year.

Increased levels of mercury have been found in the environment particularly in fish and waterfowl along the shores and wetlands of the Great Salt Lake. There is a mercury advisory for waterfowl on the Great Salt Lake, and there are currently 9 scattered locations in the state that have a health advisory for mercury in fish. The Analyst recommends the committee consider

**MINUTES OF THE
TRANSPORTATION, ENVIRONMENTAL QUALITY & NATIONAL GUARD
APPROPRIATIONS SUBCOMMITTEE
Room W010, West Office Building, State Capitol Complex**

Wednesday, January 23, 2008

MEMBERS PRESENT: Sen. Carlene Walker, Co-Chair
Rep. Wayne Harper, Co-Chair
Sen. Fred Fife
Rep. Glenn A. Donnelson
Rep. Neil Hansen
Rep. Neal B. Hendrickson
Rep. Todd E. Kiser
Rep. Patrick Painter
Rep. Kenneth Sumsion

MEMBERS ABSENT: Sen. Sheldon Killpack
Sen. John Valentine
Rep. Becky Lockhart

STAFF PRESENT: Mark C. Bleazard, Fiscal Analyst
Rosemary Young, Committee Secretary

Note: A list of visitors and copy of handouts are filed with committee minutes.

Rep. Harper called the meeting to order at 2:29 p.m.

MOTION: Rep. Hendrickson moved to approve the minutes of the June 29, 2007, October 2, 2007 and January 16, 2008 meetings. The motion passed unanimously with Rep. Donnelson and Rep. Sumsion absent for the vote.

Carson Howell, GOPB, reviewed the Governor's budget recommendations from a handout provided to the committee particularly focusing on ongoing budget adjustments for each department.

Mark Bleazard, Fiscal Analyst, explained the set up of the large green Budget Analysis book and pointed out that the COBI (Compendium of Budget Information) containing more detailed information on the budget is found at the back of the book. He discussed how the new Department of Veterans Affairs might be treated in the future as a part of this subcommittee. In a subcommittee overview it was pointed out that the total subcommittee budget for FY 2008 is \$1,688,463,600 of which \$519,056,900 is from General Funds and \$411,290,000 is one-time